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September 29, 2009

Mike Marshall, Secretary of the Senate
Iowa State Senate
State Capitol Building

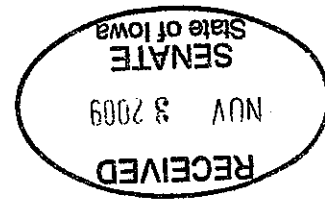
Dear Mr. Marshall:

I respectfully submit to you the second annual reports from the Treasurer of State regarding fiscal year 2009 investment activity related to Iowa Code 12F 'Restrictions on Sudan-Related Investments'. Attached are reports for the State Operating Fund, the Iowa Judicial Retirement System, and the Iowa Peace Officers' Retirement, Accident and Disability System.

Respectfully Yours,

A handwritten signature in cursive script that reads 'Michael L. Fitzgerald'.

Michael L. Fitzgerald
Treasurer of State



Cc: Senator John P. "Jack" Kibbie
President

Senator Michael E. Gronstal
Majority Leader

Senator Paul McKinley
Minority Leader

Iowa Peace Officers' Retirement, Accident and Disability System
Annual Report
On Sudan Divestment
For The Fiscal Year Ended June 30, 2009

Purpose

This is the second annual report required by Iowa Code Chapter 12F regarding restrictions on Sudan-related investments by the Iowa Peace Officers' Retirement, Accident and Disability System (PORS). In response to the ongoing human rights situation in the Darfur region of the country of Sudan, the General Assembly passed SF361, which places restrictions on investments in certain companies that have active business operations there. Effective beginning July 1, 2007, this law intends for state funds not to be invested in companies that provide power production-related services, mineral extraction activities, oil-related activities, or military equipment to the government of Sudan.

Chapter 12F applies to PORS in the following ways:

The system must identify and make available to the public a quarterly updated list of scrutinized companies, which have active or inactive business operations in Sudan. PORS solely uses information published by the Sudan Divestment Task Force to comply with this requirement.

PORS is prohibited from directly investing in scrutinized companies with active business operations listed on the most current quarterly list. The fund is also required to eventually divest from any company with active business operations that were directly held by the fund as of July 1, 2007 after sending written notification to the company.

Any company owned indirectly through a fund is not subject to divestment, but still requires that PORS send written notification. Further, PORS is required to send written correspondence to the investment managers of funds with scrutinized company holdings urging the managers to divest of the scrutinized companies or start a separate fund free of Sudan-related holdings.

Scrutinized Companies List

PORS' FY 2009 quarterly scrutinized companies list is attached. As of June 30, 2009 PORS does not hold, either directly or indirectly, any companies from the quarterly divestment list.

Written Notices

PORS international exposure is solely in a commingled investment fund, and during the fiscal year no companies on the scrutinized company list were held either directly or indirectly.

Divestment

As PORS did not have any direct holdings of scrutinized companies, no divestment was required. Indirect investments do not require divestment.

Report Availability

This report, along with any other quarterly scrutinized company list can be obtained by contacting the Treasurer's office at 515-281-6878 or kyle.rice@iowa.gov.

Sudan Divestment List: Updated as of April 1, 2009

The State Operating Fund has no holdings in any of the listed companies.

For the Public Safety Peace Officers' Retirement, Accident, and Disability System:
None

For the Judicial Retirement System:
None

Companies with active business operations in Sudan:

Company Name – Country of Headquarters
Subsidiaries

China National Petroleum Corporation a.k.a. CNPC – China
CNPC Hong Kong
Petrochina

Daqing Huake Group Co. Ltd.
Petroleum Nasional Berhad a.k.a. Petronas – Malaysia
Petronas Gas Bhd
Petronas Dagangan Bhd
MISC Berhad (Malaysia International Shipping Company)
Optimal Olefins Malaysia SDN Berhad
Petronas Capital Ltd
Midiciti Resources SDN BHD
KLCC Property Holding Bhd
Gas District Cooling Putrajaya Sdn Bhd
MISC Capital Ltd
Petronas Carigali Nile
Petronas Marketing Sudan Limited
OGP Technical Services

Oil and Natural Gas Corp. Ltd. a.k.a. ONGC – India
Mangalore Refinery and Petrochemicals Ltd.
ONGC Videsh
ONGC Nile Ganga BV, Amsterdam

Sinopec Group a.k.a. China Petrochemical Corporation – China
Kingdream PLC
Sinopec Finance Co. Ltd.
China Petroleum and Chemical Corporation a.k.a. Sinopec Corp.
Sinopec Shanghai Petrochemicals Ltd.
Sinopec Kanton Holdings Ltd.
Sinopec Yizheng Chemical Fibre Co. Ltd.
ZPEB Corporation
China International United Petroleum and Chemicals
Sinopec International Petroleum Service Corp.

Kuwait Finance House – Kuwait
AREF Investment Group
Higleig Petroleum Services and Investment Co.
Technology World Company

Mohammed Abdulmohsin Al-Kharafi & Sons Company a.k.a. Al-Kharafi Group – Kuwait

Arab Aluminum Co. SAE

Egypt Kuwaiti Holding Co.

Kuwait Foods a.k.a. Americana

Tri Ocean Energy

Ranhill Berhad – Malaysia

Ranhill Labuan Ltd.

Ranhill Powertron Sdn.

Ranhill International Inc.

Muhibbah Engineering Berhad – Malaysia

Favelle Favco

Muhibbah Petrochemical Engineering

Kencana Petroleum Berhad – Malaysia

Kejuruteraan Samudra Timur Berhad a.k.a. KSTB - Malaysia

Sobena Offshore Inc.

KST Drilling Technologies

Lundin Petroleum AB – Sweden

Lundin International SA

Dietswell Engineering – France

China North Industries Group Corporation a.k.a. CNGC/NORINCO – China

China North Industries Corporation aka NORINCO

NORINCO International Corporation Ltd

China Aviation Industry Corporation II a.k.a. AVIC II – China

AviChina Industry and Technology Ltd

Jiangxi Hongdu Aviation Industry Co. Ltd.

Hafei Aviation Industry Co.

Harbin Dongan Auto Engine Co.

Jiangxi Changhe Automobile Co. Ltd.

China Hydraulic and Hydroelectric Construction Group a.k.a. Sinohydro – China

Harbin Power Equipment Company Limited – China

Wärtsilä Oyj – Finland

Wartsila East Africa

Bharat Heavy Electricals Limited – India

Dongfeng Automobile Company Limited – China

Indian Oil Corporation Limited a.k.a. IOCL – India

Lanka IOC Ltd.

Chennai Petroleum Corporation Limited

Bongaigaon Refinery & Petrochemicals Ltd.

Scomi Group Berhad – Malaysia

KMCOB Capital Berhad

Scomi Engineering Berhad

Scomi Oiltools

Alstom – France

Wuhan Boiler Co.

Alstom Projects India

PECD Berhad – Malaysia

Peremba Construction

Electricity Generating Company a.k.a. EGCO – Thailand

Khanom Electricity Generating Co. Ltd. Aka KEGCO

ONA S.A. – Morocco

Managem

Societe Metallurgique D'imiter
Centrale Laitiere
Cosumar
Lesieur Cristal